

A PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION OF

**NEWLYN PLC**

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PRELIMINARY

1. (a) (i) Subject as hereinafter provided the Regulations contained in Table A in The Companies (Tables A to F) Regulations 1985 ("Table A") shall apply to the Company.  
  
(ii) In these Articles the expression "the Act" means the Companies Act 1985, but so that any reference in these Articles to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.  
  
(iii) 'Communication' shall mean the same as is detailed in the Electronic Communications Act 2000.  
  
(iv) 'Electronic communication' shall mean the same as is detailed in the Electronic Communications Act 2000.
- (b) In Regulation 1 of Table A there shall be inserted before the words 'office' and 'secretary' the word 'the' and between the words 'regulations' and 'the Act' the words 'and in any regulations adopting in whole or in part the same'.
2. Regulations 8, 20, 41, 64, 73 to 80 inclusive and 94 to 97 inclusive of Table A shall not apply to the Company.

PUBLIC COMPANY

3. The Company is a public company within the meaning of The Act.

SHARES

4. (a) All unissued shares which are comprised in the authorised share capital with which the Company is incorporated shall be under the control of the directors and for the purposes of Section 80 of the Act the directors are unconditionally authorised to exercise the power of the Company to allot shares grant options over or otherwise dispose of the same to such persons and on such terms as they think fit at any time or times during the period of five years from the date of incorporation and the directors may after that period allot any shares or grant any such rights under this authority in pursuance of an offer or agreement made by the Company within that period.
- (b) The authority given above may be renewed revoked or varied by ordinary resolution of the Company in general meeting.
5. A In accordance with Section 95 of the Act, subsection (1) of Section 89 of the Act shall be excluded from applying to the allotment of equity securities (as defined in Section 94 of the Act) pursuant to the authority contained in Article 4 above.
5. B Notwithstanding anything contained in these articles, the directors shall promptly register any transfer of shares and may not refuse or suspend registration of a transfer:
  - (a) to a lender, a bank or institution, or an entity acting as agent and/or trustee for a group of lenders to which, in any such case, such shares have been pledged, mortgaged or

charged by way of security, or to any nominee or any transferee of such a lender, bank, institution or agent and/or trustee (in each case, a **secured person**); or

- (b) delivered to the Company for registration by a secured person or its nominee in order to register the secured person as legal owner of the shares or in order to transfer the shares to a third party; or
- (c) executed by a secured person or its nominee pursuant to the power of sale or other power under such security,

and Regulation 24 of Table A shall be modified accordingly.

- 5. C Notwithstanding anything to the contrary contained in these articles, no transferor of any shares in the Company or proposed transferor of such shares to a secured person or its nominee and no secured person or its nominee, shall be required to offer the shares which are or are to be the subject of any transfer referred to in article 5.B above to the shareholders for the time being of the Company or any of them, and no such shareholder shall have any right under the articles, Table A or otherwise to require such shares to be transferred to them whether for consideration or not.
- 6. A Subject to Article 6.B. and to the provisions of Section 150 of the Act, the Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation. The Company's lien on a share shall extend to any amount payable in respect of it.
- 6. B The lien referred to in Article 6.A. shall not apply where any such shares have been pledged, mortgaged or charged by way of security and Article 6.A and Regulation 8 of Table A shall be modified accordingly.

#### FORFEITURE OF SHARES

- 7. If a share is forfeited pursuant to Regulation 19 of Table A it may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit subject always to the provisions of Section 146 of the Act. Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person.

#### GENERAL MEETINGS

- 8. (a) Every notice convening a general meeting shall comply with the provisions of Section 372(3) of the Act as to giving information to members in regard to their right to appoint proxies; and notices of and other communications relating to any general meeting which any member is entitled to receive shall be sent to the directors and to the auditors for the time being of the Company.
- (b) Proxies may be deposited at the Registered Office of the Company at any time before the time of the meeting for which they are to be used unless otherwise specified in the notice convening the meeting. The Directors at their discretion treat an electronic communication appointing a proxy as a proxy for the purposes of the Article. Regulation 62 of Table A shall be modified accordingly.
- 9. Under Section 372(1) of the Act, a proxy appointed to attend and vote at the general meeting does not have the right to speak at the meeting.
- 10. (a) The words "at the time when the meeting proceeds to business" shall be inserted at the end of the first sentence of Regulation 40 of Table A.

- (b) If a quorum is not present within half an hour from the time appointed for a general meeting the general meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the directors may determine; and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed therefor such adjourned general meeting shall be dissolved.

## VOTES OF MEMBERS

- 11. If any member or other person appearing to be interested in any shares registered in the name of such member in any account in the register of members of the Company is in default in supplying within 28 days of the date of service of the notice from the Company requiring such member or other person to supply to the Company in writing all or any of such information as is referred to in Section 212 of the Act, such member shall, for such period as default of such member or other person shall continue, not be entitled, without the prior written consent of all the directors, to vote or to exercise any right conferred by membership in relation to the meetings of the Company in respect of all the shares for the time being registered in the account of the register of members of the Company in respect of which such notice was served. For the purpose of this Article a person shall be treated as appearing to be interested in any shares if the member holding such shares has given to the Company a notification under the said Section 212 which fails to establish the identities of those interested in the shares and if (after taking into account the said notification and any other relevant Section 212 notification) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the shares.

## DIRECTORS

- 12. The first director or directors of the Company shall be the person or persons named in the statement delivered under Section 10 of the Act.
- 13. The maximum number and minimum number respectively of the directors may be determined from time to time by ordinary resolution in general meeting of the Company. Subject to and in default of any such determination there shall be no maximum number of directors and in accordance with Section 282 of the Act the minimum number of directors shall be two.
- 14. (a) No person shall be appointed a director at any general meeting unless either:
  - i. he is recommended by the directors; or
  - ii. not less than fourteen nor more than thirty-five clear days before the date appointed for the general meeting, notice executed by a member qualified to vote at the general meeting has been given to the Company of the intention to propose that person for appointment, together with notice executed by that person of his willingness to be appointed.
- (b) Subject to the provisions of paragraph (a) above, the Company may by ordinary resolution in general meeting appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director.
- (c) The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number determined in accordance with Article 12 as the maximum number of directors and for the time being in force.
- 15. The directors may exercise all the powers of the Company to borrow without limit as to amount and upon such terms and in such manner as they think fit and subject (in the case of any security convertible into shares) to Section 80 of the Act to grant any mortgage charge or standard security over its undertaking property and uncalled capital or any part thereof and to

issue debentures debenture stock or any other securities whether outright or as security for any debt liability or obligation of the Company or of any third party.

16. A director who is in any way either directly or indirectly interested in any contract transaction or arrangement (whether actual or proposed) with the Company or in which the Company is otherwise interested shall declare the nature of his interest at a meeting of the directors in accordance with Section 317 of the Act. Subject to such disclosure a director shall be entitled to vote in respect of any such contract transaction or arrangement (whether actual or proposed) in which he is interested and whether or not he votes he shall be counted in reckoning whether a quorum is present or not.

#### THE SEAL

17. The Company may have a Seal if it so wishes. If the Company has a Seal the Directors may determine who shall sign any instrument to which the Seal is affixed and unless otherwise so determined it shall be signed by a Director and by the Secretary or by a second Director. The obligation under Clause 6 of Table A relating to the sealing of share certificates shall apply only if the Company has a seal.

#### INDEMNITY

18. In addition to the indemnity conferred by Regulation 118 of Table A and subject to the provisions of the Act every such person as is mentioned in the said Regulation shall be entitled to be indemnified out of the assets of the Company against all expenses losses or liabilities incurred by him as agent of the Company or for the Company's benefit or intended benefit or in or about the discharge or intended discharge of his duties in relation to the Company.